

# GSA Schedules and the Utilization of Small Business

## *Student Guide*



# List of Acronyms and Websites

Below are acronyms that appear in this guide. The corresponding website addresses are listed when available.

<b>CO</b>	Contracting Officer
<b>EDWOSB</b>	Economically Disadvantaged Women-Owned Small Business
<b>FAR</b>	Federal Acquisition Regulation <a href="http://www.acquisition.gov/far/index.html">www.acquisition.gov/far/index.html</a>
<b>FAS</b>	Federal Acquisition Service <a href="http://www.gsa.gov/fas">www.gsa.gov/fas</a>
<b>FSS</b>	Federal Supply Schedules (A.K.A. Multiple Award Schedules)
<b>GSA</b>	General Services Administration <a href="http://www.gsa.gov">www.gsa.gov</a>
<b>GAO</b>	Government Accountability Office <a href="http://www.gao.gov/">http://www.gao.gov/</a>
<b>IFF</b>	Industrial Funding Fee
<b>MAS</b>	Multiple Award Schedule <a href="http://www.gsa.gov/schedules">www.gsa.gov/schedules</a>
<b>NAICS</b>	North American Industry Classification System
<b>RFQ</b>	Request for Quotation
<b>SAT</b>	Simplified Acquisition Threshold
<b>SBA</b>	Small Business Administration <a href="http://www.sba.gov/">http://www.sba.gov/</a>
<b>SIN</b>	Special Item Numbers
<b>SDVOSB</b>	Service-disabled, veteran-owned small businesses
<b>WOSB</b>	Women-owned small businesses
<b>VOSB</b>	Veteran-owned small businesses

*\*For additional websites, please see the end of this guide.*

# Course Introduction

Welcome to GSA's *GSA Schedules and the Utilization of Small Business* training. This course is designed for the federal 1102 community working in both civilian and military agencies. The purpose of this course is to ensure that buyers in the federal marketplace understand the treatment of small businesses when using the GSA Schedules program. The preference programs in FAR Part 19 do not apply. However, based on a recent change covered by FAR Subpart 8.405-5, Contracting Officers, at their discretion, may conduct set-asides at the BPA and order level.

## Course Outline

This course has five main Topics:

**Topic 1: Introduction to the MAS Program**

**Topic 2: Benefits of the MAS Program**

**Topic 3: Types of Schedules and Characteristics**

**Topic 4: Overview of Socioeconomics**

**Topic 5: Identifying Small Businesses**

## Course Objectives

Upon completion of this course, you should be able to:

- ❖ Describe the purpose and benefits of the Multiple Awards Schedule (MAS) program
- ❖ Define socioeconomics in the context of Government acquisition
- ❖ Identify the various small business types and how socioeconomic objectives work within the Government
- ❖ Recognize FAR and the Small Business Act requirements as they apply to the Multiple Award Schedules (MAS) Program
- ❖ Utilize set-asides for both small businesses and subsets of small businesses, based on market research
- ❖ Identify contracting and competition requirements for the MAS Program, including getting agency credit for awards to small businesses



### NUTS AND BOLTS TIP

These tips, identified by the icon shown here, are “how-to’s” designed to enhance the student’s learning experience.



### MAS Desk Reference

As you read through this manual, look for these references for more detailed information on a particular subject.

# Topic 1: Introduction to the MAS Program

## What is a Multiple Award Schedule?

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- ☐ Governmentwide contract vehicle for **commercial** products, services, and solutions
- ☐ Also known as “Federal Supply Schedule (FSS),” “GSA Schedules” or “MAS”
- ☐ Standing solicitations posted on FedBizOpps
- ☐ Awarded using FAR Part 12 procedures

### **GSA Schedules**

The MAS program provides eligible ordering activities with a simplified process for obtaining supplies and services. Schedule contracts are multiple award, indefinite delivery/indefinite quantity (IDIQ) contracts, which are awarded to responsible companies that offer commercial supplies or services at fair and reasonable prices. Products and services are ordered directly from Schedule contractors.

Multiple Award Schedules are also known colloquially as “GSA numbers”, “GSA Schedules”, “GSA contracts”, “Federal Supply Schedules (FSS)”, and the “GSA list.” All of these terms are used synonymously within the federal contracting community to refer to the GSA MAS program. Through the MAS program, GSA contracts with thousands of commercial businesses that provide access to a vast array of professional services, such as management, financial, engineering, environmental, accounting, graphic design, and landscaping services. In addition to commercial services, commercial supplies range from computer hardware to office supplies.

FSS website: [www.gsa.gov/schedules](http://www.gsa.gov/schedules)

## MAS Contract Characteristics

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- ☐ Multiple Award IDIQ (5 year award, three 5 year options)
- ☐ Fixed Price EPA
- ☐ Fair and reasonable pricing
  - Price reductions may be applied at the order level
- ☐ Performance requirements established at the order level

### Quantity and Delivery/Performance Requirements

As IDIQ contracts, the Schedules themselves contain no specific quantities, other than minimum and maximum threshold amounts. The ordering activity sets specific order quantities and specific delivery/performance dates when issuing an order under the Schedule contract. When issuing an order:

- ❖ Delivery or performance periods and all other order requirements must conform to the applicable terms and conditions of the Schedule contract, but
- ❖ An ordering activity may add additional terms and conditions as long as they do not conflict with the Schedule contract.

### Limits on Order Placement and Timing

In accordance with FAR 8.405-1 and 8.405-2, Schedule users:

- ❖ May issue orders for supplies, or by services not requiring a statement of work (SOW) orally, by facsimile, by paper order, or electronic commerce methods.
- ❖ May not issue oral orders when ordering services requiring an SOW. Orders by facsimile, by paper order, or electronic commerce methods are authorized.
- ❖ May place an order anytime during the effective period of the Schedule contract. Any order not completed within the period of the Schedule contract must be completed within the time specified in the order.
- ❖ May not issue oral orders for brand name items when the order exceeds \$25k.
- ❖ May not place repetitive orders for the same items, to attempt to avoid exceeding the Simplified Acquisition Threshold (SAT) and holding a proper competition.

### Negotiating Reductions from Schedule Prices

- ❖ Permitted at any time. Vendor may offer reduced prices based on specific quantities, overall volume, delivery requirements and other order-specific conditions and terms.
- ❖ REQUIRED for the government buyer to REQUEST reductions for any requirement (order or BPA) in excess of the SAT.

Vendors not required to agree to any reductions.

## Regulatory Foundation

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### The Federal Acquisition Regulation (FAR)

FAR	Provides	Applicability
Subpart 8.4	Ordering procedures for GSA Schedules	Federal Government Ordering Activities
Part 12	Acquisition of Commercial Items	GSA awards Schedule contracts under Part 12
Subpart 6.102(d)(3)	Defines orders placed against Schedules as a competitive procedure	All

The **Federal Acquisition Regulation (FAR)** provides the primary regulatory guidance for the GSA Schedules program. The **General Services Administration Acquisition Regulation (GSAR)** is the GSA FAR supplement. The GSAR provides guidance tailored to GSA **acquisitions**, including GSA Schedules contracting. GSAR guidance primarily affects GSA Schedules by providing supplementary guidance to the Contracting Officers awarding and administering GSA Schedule contracts.

**FAR Subpart 8.4, Federal Supply Schedules**, prescribes procedures that federal government ordering activities must follow when issuing orders using GSA Schedules. Orders placed following these procedures are considered to be issued using full and open competition. (See FAR 8.404(a)).

**FAR Part 12, Acquisition of Commercial Items**, prescribes policies and procedures unique to the acquisition of commercial items. It implements the federal government's preference for the acquisition of commercial items contained in Title VIII of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) by establishing acquisition policies more closely resembling those of the commercial marketplace and encouraging the acquisition of commercial items and components.

**FAR 6.102(d)(3), Competition Requirements**, this subpart pertains to use of competitive procedures. It states use of MAS issued under the procedures established by the Administrator of General Services consistent with the requirement of 41 U.S.C. 259(b)(3)(A) for the MAS program of the General Services Administration is a competitive procedure.

## FAR Applicability to Schedules

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FAR	Title	Applicable
Part 13	Simplified Acquisition Procedures	NO (except allows for MAS BPAs)
Part 14	Sealed Bidding	NO
Part 15	Contracting by Negotiation	NO
Part 19	Small Business Programs	NO (except Bundling)
Part 36	Construction and A&E	NO
Part 7	Acquisition Planning	YES
Part 10	Market Research	YES
Subpart 17.5	Interagency Acquisitions	YES
Subpart 33.1	Protests	YES
Subpart 37.6	Performance Based Acquisition	YES
Part 39	Acquisition of Information Technology	YES

## Topic 2: Benefits of the MAS Program

### **FAR Subpart 8.4 Simplifies the Solicitation Process**

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Schedule Orders are:

- ✓ Faster
- ✓ Easier
- ✓ More Economical

In contrast to FAR Part 15, Schedule orders do not require:

- ✗ Formal evaluation (SSEB not required)
- ✗ Cost analysis (commercial pricing at the Schedule level)
- ✗ Extensive documentation (less formal process)
- ✗ Debrief (may provide feedback)
- ✗ Competitive range determination

FAR Subpart 8.4 provides ordering procedures for placing orders against a GSA Schedule. FAR Part 13, *Simplified Acquisition Procedures*, Part 15, *Contracting by Negotiation*, and FAR Part 19, *Small Business Programs* [except for 19.202-1(e)(1)(iii)], are **NOT** applicable to orders placed against Multiple Award Schedules. (Except that FAR 13.303-2(c)(3) allows for BPAs to be established with Multiple Award Schedule contractors, if not inconsistent with the terms of the applicable Schedule contract.)

Under FAR Subpart 8.4 ordering activities do NOT:

- ❖ Conduct a formal “negotiated procurement”
- ❖ Issue a “solicitation” for 30 days (or any other pre-determined time)
- ❖ Conduct “discussions”
- ❖ Conduct formal “debriefings”
- ❖ Use FAR Subpart 15.3 concepts and procedures

**Not** using FAR Subpart 15.3 concepts and procedures has the following implications for your task order selection process:

- ❖ There is no requirement to follow the FAR 15.305 requirement to “evaluate competitive proposals and then assess their relative qualities.” In other words, your evaluation system can immediately compare (and remember, we don’t say “compete” because the CICA requirements have already been met) one quote to another in order to determine the rank ordering for selection.



- ❖ You are not bound by the rules in FAR Subpart 15.3 for evaluating past performance, such as the requirement to provide a neutral rating to a quote without any past performance. Further, if you choose not to use past performance as an evaluation factor, there is no requirement to document the file with your rationale.
- ❖ There is no requirement to capture “the relative strengths, deficiencies, significant weaknesses, and risks supporting proposal evaluation...” as required in FAR 15.305. This means your evaluation system can be very streamlined. There is no requirement to set a competitive range using all the published evaluation factors. This means that you can save yourself and the Schedule contractor considerable time and money by phasing your procurement in a manner that uses the least costly factors to initially down-select the quoters.
- ❖ Because a competitive range is not established, there is no need to be overly focused on the nature of exchanges with the quoter. You can engage in detailed exchanges about any aspect of a quote at any time. Naturally, you should make every effort to treat each quoter equitably. You must not be biased, arbitrary, or capricious and your decisions must be adequately (but not overly) documented.



### **NUTS AND BOLTS TIP**

If an agency issues a Schedule order using FAR Part 15 terminology and procedures, protest review authorities, such as the GAO and the courts, may sustain a protest against the order using FAR Part 15 procedures.

## GSA Schedules Conform with Competitive Contracting

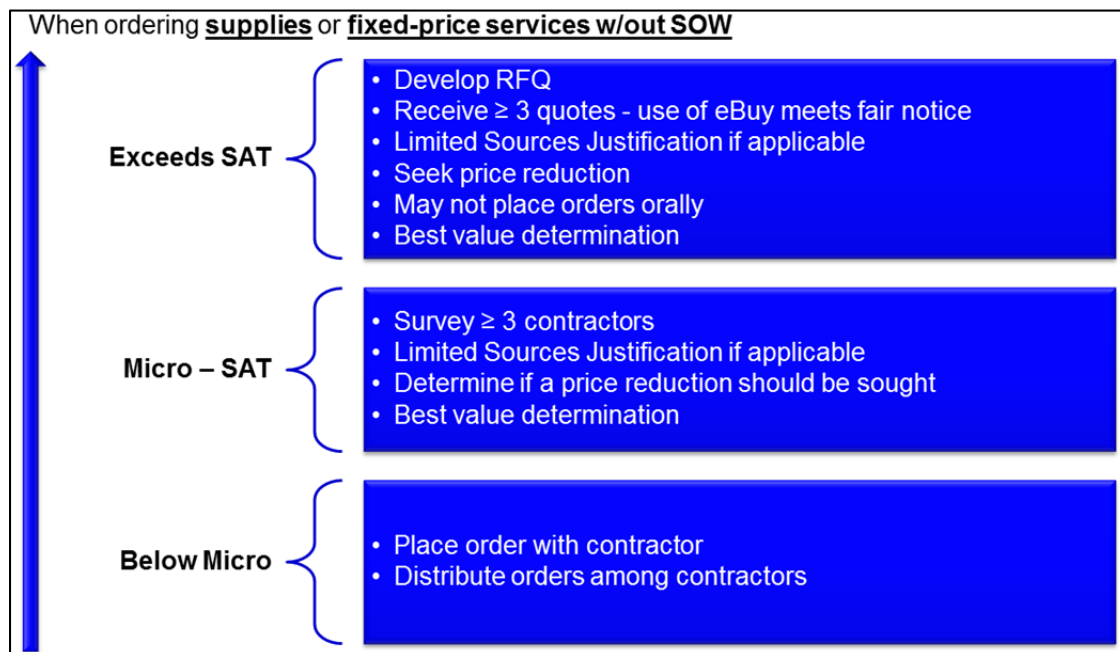
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Schedule users shall not:

- Seek further competition outside of the MAS program
- Synopsise the requirement

## Ordering Procedures - FAR 8.405-1

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### When Is an SOW Not Required?

According to FAR 8.405-1, when acquiring fixed-price services or supplies through GSA Schedules, an SOW is not required when the dollar value of the order or BPA:

- ❖ **Is at or below the micro-purchase threshold.** You may place the order directly with the selected vendor. FAR procedures for acquisitions at or below the micro-purchase threshold emphasize simplicity and fair treatment. Supporting documentation, including extensive information, collection, and evaluation, is not required. However, the Schedule user should attempt to distribute orders among Schedule contractors.
- ❖ **Exceeds the micro-purchase threshold, but not the simplified acquisition threshold.** You should obtain at least three (3) quotes (always documenting your contract file and select the best value quote).
  - Survey at least three Schedule contractors, considering price and other identified best value factors.
  - Consider ordering from contractors that help you meet your agency's socio-economic goals.
  - Use an RFQ only if it is the most efficient method for gathering the information needed to evaluate solutions available under GSA Schedules. When using an RFQ, the Schedule user must provide the RFQ, including the evaluation criteria, to any contractor under the appropriate Schedule that requests a copy.
  - The Schedule user should seek a price reduction when:

- Market research reveals that the supply or service is available elsewhere at prices lower than those available from Schedule contractors.
- The Schedule contractor has been or will be selected to provide recurring requirements and the size of the recurring orders appears to merit a price reduction.
- Market research identifies other information indicating that a price reduction is appropriate.

**Exceeds the Simplified Acquisition Threshold**, or when establishing a BPA. The ordering activity shall seek a price reduction, survey more than three contractors, and select the best value quote. If further price reductions are not offered, an order may still be placed. eBuy shall be used as one method to ensure at least 3 written quotations are received. If fewer than 3 are received, the Contracting Officer must document the file as to the actions taken to ensure competitive quotations, and what can be done in future acquisitions to enhance competition. New procedures also apply for DoD agencies when the value of the order exceeds the simplified acquisition threshold (\$150,000) and only one offer was received (**DFARS 208.404 and 208.405-70**). If less than 30 days for offer submission was allowed, the CO must consider promoting competition by revising the requirements document to eliminate any barriers and by permitting more time for receipt of offers when fewer than 30 days was initially allowed. The contracting must either resolicit for 30 days or more or request a waiver. If the contracting officer still faces only one offer, they must determine prices to be fair and reasonable through price or cost analysis or enter negotiations with the offeror.



### NUTS AND BOLTS TIP

Schedule contractors are not required to pass on to all GSA Schedule users a one-time spot price reduction provided to a single agency.



### NUTS AND BOLTS TIP

FAR 9.405-1(b) prohibits ordering from any Schedule contractor that is debarred, suspended, or proposed for debarment unless the agency head makes a written determination of the compelling reasons for such action.

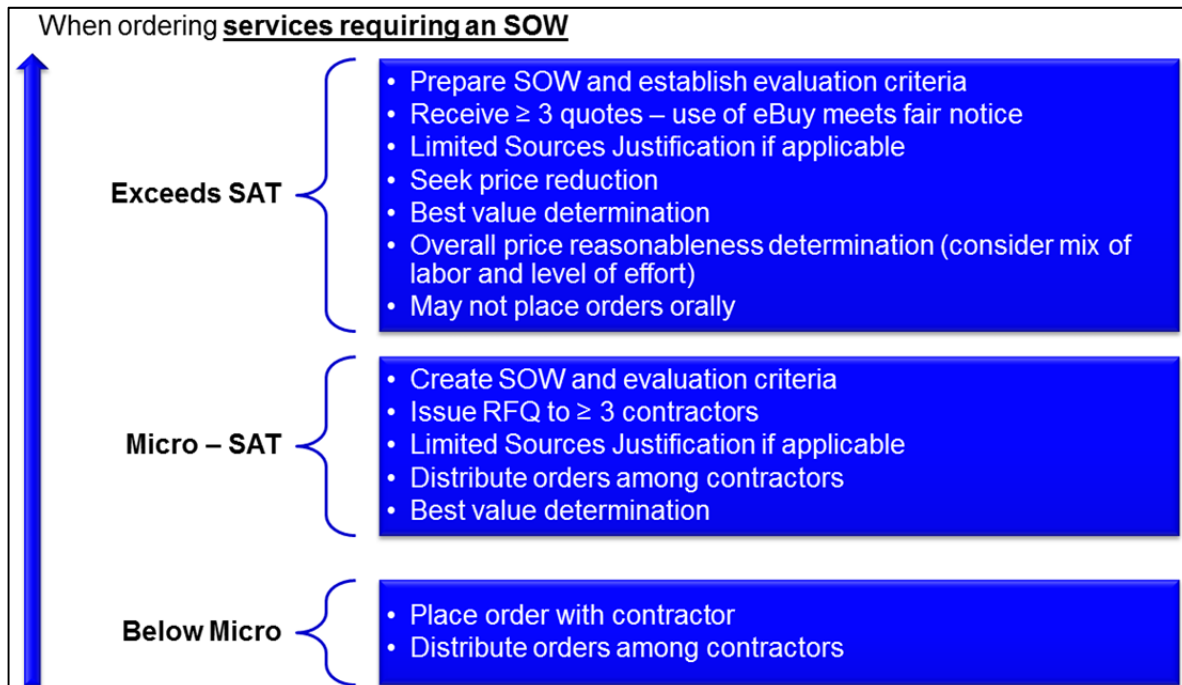
A Schedule user can review the contractor's information page in GSA eLibrary ([www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)) or) to determine whether the prospective contractor is debarred, suspended, or proposed for debarment.

The FAR was also amended (through [Interim Rule 2012-013](#)) to prohibit the award of contracts using Fiscal Year (FY) 2012 appropriated funds to any Inverted Domestic Corporation (IDC). While this currently is limited to FY 12, a similar restriction applied to several preceding years and may apply also to future FYs. An IDC is a corporation that used to be incorporated in the United States, or used to be a partnership in the United States, but now is incorporated in a

foreign country, or is a subsidiary whose parent corporation is incorporated in a foreign country, This applies to all ordering agencies using appropriated funds on task orders. Two ways exists to comply with this restriction - include the provision [52.209-2](#) Prohibition on Contracting with Inverted Domestic Corporations—Representation in RFQs when using FY12 appropriated funds or check the contractor's ORCA and see if provision 52.209-2 is included in their ORCA record. If the provision is included in ORCA, the contractor is representing that it is *not* an IDC and therefore eligible for an award.

## Ordering Procedures - FAR 8.405-2

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### When is an SOW Required?

For services offered in Schedule contracts at hourly rates, Schedule users must create Requests for Quotations (RFQs) and include the SOW and evaluation criteria to Schedule contractors that offer services that will meet the agency's needs. The SOW and RFQ requirements differ by dollar value. The RFQ may be posted through eBuy.

If an order requires an SOW, the first step in the decision process is to review the quotes. The price quote review focuses on the quality of the vendor's capabilities or products, the proposed solution, the prices, and any other pre-determined evaluation criteria.

If an SOW/PWS/SOO is not required, the first step is to compare prices from appropriate Schedule contractors.

If the order requires an SOW/PWS/SOO, the ordering activity has the option to ask quoters to give oral presentations after quotation submission. The oral presentations can help the ordering activity clarify details, become acquainted with the contractors' personnel, and provide additional comparison points for decision making.

After comparing prices and other factors, the ordering activity chooses the contractor who can provide the best value to the government.

## Topic 3: Types of Schedules and Characteristics

### **MAS Schedule Facts**

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- ❑ GSA offers over 20 million supplies and services
- ❑ 39 open and standing solicitations published on FedBizOpps (including 9 managed by VA)
- ❑ Over 19,000 Schedule contracts
  - 80% are small businesses
  - Orders and BPAs can be set aside for small businesses
- ❑ \$50 Billion total annual spend (including VA)

GSA Schedules provide access to over 20 million commercial supplies (products) and services at volume discount pricing. The Schedule List in the GSA eLibrary contains a list of all GSA and VA Schedules. The generic categories of supplies and services available under each Schedule may be viewed by clicking on the Schedule number in the Source column. Supplies and services are identified in each Schedule by SIN.

### **Special Item Numbers (SINs)**

Within each Schedule are specific SINs. SINs are groups of similar (but not identical) supplies or services that are intended to meet similar customer requirements; SINs are also known as categories.

Each Schedule is comprised of multiple SINs. For example, *Schedule 874, Mission Oriented Business Integrated Services (MOBIS)*, has ten SINs:

- ❖ 874-1, Consulting Services
- ❖ 874-2, Facilitation Services
- ❖ 874-3, Survey Services
- ❖ 874-4, Training Services
- ❖ 874-5, Ancillary Supplies and/or Services
- ❖ 874-6, Acquisition Management Services
- ❖ 874-7, Program and Project Management
- ❖ 874-8, DAU and FAI Certified DAWIA Training
- ❖ 874-9, Off the Shelf and Customizable Print, Audio, and Visual Instructional Training Devices
- ❖ 874-99, New Services

GSA Schedules are awarded on an indefinite delivery and indefinite quantity (IDIQ) basis. The total quantity of services or supplies that will be acquired under the Schedule contract and the specific time for delivery of those items are not set in the contract. Schedule solicitations only include estimated total Schedule acquisition dollars for each SIN.

The quantity and names of Schedules and SINs change from time to time. GSA eLibrary ([www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)) provides a current listing of all Schedule contracts and links to additional information about each Schedule.



## What Services are Available on Schedule?

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- |  |   |
|--|---|
| <input type="checkbox"/> Environmental Services                                  | <input type="checkbox"/> Information Technology Services    |
| <input type="checkbox"/> Professional Engineering Services                       | <input type="checkbox"/> Advertising and Marketing Services |
| <input type="checkbox"/> Logistics Services                                      | <input type="checkbox"/> Financial and Business Solutions   |
| <input type="checkbox"/> Language Services                                       | <input type="checkbox"/> Security Solutions                 |
| <input type="checkbox"/> Management and Consulting Services (including Training) | <input type="checkbox"/> Facilities Maintenance             |
| <input type="checkbox"/> Temporary Administrative and Professional Services      | <input type="checkbox"/> Disaster Relief                    |

**Note:** For a comprehensive list of services please visit [GSA eLibrary](#).

### GSA Schedule Contract Fundamentals

Solicitations for GSA Schedule contracts are “standing solicitations” issued through FedBizOpps. Vendors wishing to become GSA Schedule contractors may submit an offer at anytime. More information on Schedule solicitations may be found at [www.gsa.gov/schedulesolicitations](http://www.gsa.gov/schedulesolicitations).

GSA Schedule contracts have a base period of five years, with three additional five-year option periods. Options are exercised in accordance with FAR 17.207.

Ordering activities issue delivery or task orders against the contract. For services, the task orders specify the scope, milestones, timeframe, and price for the requirements. Options may be included on orders placed against Schedule contracts and options may be exercised, provided that:

- ❖ Funds are available
- ❖ The requirement covered by the option fulfills an existing government need
- ❖ Prior to exercising an option, the ordering activity ensures that it is still in the government's best interest, with price and other factors considered
- ❖ The order options do not extend beyond the period of the Schedule contract options

### Acquisition of Commercial Services

FAR 11.002(a)(2)(iii) requires that, to the maximum extent practicable, offerors of commercial items be provided an opportunity to compete for any government contract acquisition. If the use of commercial services is precluded, purchasers may lose the benefits of commercial item innovations. Failure to define a service requirement as a commercial item will also prevent purchasers from using Schedule contracts and participating in the related benefits.

Purchasers should describe services requirements in a way that permits sellers providing commercial services to compete. Preferably, a performance-based approach should be used, in accordance with FAR Subpart 37.6, so that results sought are stated, versus how the work should be done.



## MAS Desk Reference

For more information, refer to the [MAS Desk Reference](#): *Section 12:List of GSA Multiple Award Schedules.*

## What Supplies are Available on Schedule?

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- |  |   |
|--|---|
| <input type="checkbox"/> Office Supplies and Equipment     | <input type="checkbox"/> Information Technology Products              |
| <input type="checkbox"/> Tools and Hardware                | <input type="checkbox"/> Vehicles and support equipment               |
| <input type="checkbox"/> Building and Industrial Materials | <input type="checkbox"/> Appliances and Food Services                 |
| <input type="checkbox"/> Furniture                         | <input type="checkbox"/> Law enforcement, Fire, and Security Products |
| <input type="checkbox"/> Scientific Equipment              |   |

**Note:** For a comprehensive list of services please visit [GSA eLibrary](#).

### Commercial Items and MAS

The FAR definition of “commercial items” as found at FAR 2.101(b) includes both supplies/commodities and services. It is very broad and encompassing and includes all of the following types of items as commercial items:

**Nongovernmental items:** A supply of a type customarily used by the general public or by nongovernmental entities for other than governmental purposes and has been sold, leased, or licensed to the general public; or has been offered for sale, lease, or license to the general public.

**Evolved nongovernmental items:** A nongovernmental item that:

- ❖ Evolved from an item customarily used for nongovernmental purposes through advances in technology or performance; and
- ❖ Will be available in the commercial marketplace in time to satisfy the delivery requirements under a solicitation.

**Modified versions of either of these item types:** An item that would be considered a nongovernmental item or an evolved nongovernmental item if it were not for one of the following:

- ❖ Modifications of a type customarily available in the commercial marketplace
- ❖ Minor modifications of a type not customarily available in the commercial marketplace that must be made to meet federal government requirements

A minor modification does not significantly alter the nongovernmental function or essential physical characteristics of an item or component, or change the purpose of a process. Factors to be considered in determining whether a modification is minor include the value and size of the modification and the comparative value and size of the final item. Dollar values and percentages may be used as guideposts, but are not conclusive evidence that a modification is minor.



### MAS Desk Reference

For more information, refer to the [MAS Desk Reference: Section 12:List of GSA Multiple Award Schedules](#).

## Topic 4: Overview of Socioeconomics

### **MAS Supports Small Business Utilization**

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- ❑ MAS Program promotes small business through socioeconomic preference or set-asides
- ❑ FAR Part 19, *Small Business Programs*
  - Applies to Schedule contracts
  - Does not apply to orders
- ❑ Exception to FAR 19 applicability at the order level:
  - Bundling (FAR19.202-1(e)(1)(iii))
  - Size standard criteria

FAR Part 19 provides guidance to federal agencies on how to implement facets of the Small Business Act, as amended. However, Part 19, with one small exception (bundling) does NOT apply when using the GSA Schedules' ordering procedures. Part 19 does apply when those Schedule contracts are being negotiated and awarded. However, based on a recent statutory change and associated FAR implementation, Contracting Officers may now elect, at their discretion, to apply the set-aside process to the placement of Schedule orders and establishment of Schedule BPAs.

The Small Business Administration (SBA) and the General Services Administration have executed a new Partnership Agreement, replacing the former Agreement that expired on September 30th, 2012. The new agreement includes GSA's authority to make direct awards under the SBA's "8(a)" program. Minor changes have been made, but none affect the original intent of the old Partnership Agreement. Note that the new Partnership Agreement does not contain an expiration date, although it does contain a termination provision for both parties.

For more information, see: [SBAGSAPartnershipAgreement.pdf](#)

## FAR Part 19: Small Business Programs

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- ❑ Part 19 generally does not apply to schedules orders – (See 8.404(a))
  - FAR 8.405-5 provides policy for Schedules set-asides
- ❑ **19.502-4 Multiple-award contracts and small business set-asides.**
  - Contracting officers may, at their discretion—
  - (c) Set aside orders placed under multiple-award contracts for any of the small business concerns identified in FAR 19.000(a)(3)...
    - “For Federal Supply Schedules Program orders see FAR 8.405-5.”
- ❑ **19.508(c)** requires clauses for total and partial set-asides as well as limitations on subcontracting be added to orders under MAS.

FAR 19.508(c) requires use of the following FAR 52.219-6 clause when a MAS set-aside is involved:

Notice of Total Small Business Set-Aside (Nov 2011)

(a) *Definition.* “Small business concern,” as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation.

(b) *Applicability.* This clause applies only to—

(1) Contracts that have been totally set aside or reserved for small business concerns; and

(2) **Orders set aside for small business concerns under multiple-award contracts as described in 8.405-5 and 16.505(b)(2)(i)(F).**

(c) General.

(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.

(2) Any award resulting from this solicitation will be made to a small business concern.

(d) *Agreement.* A small business concern submitting an offer in its own name shall furnish, in performing the contract, only end items manufactured or produced by small business concerns in the United States or its outlying areas. If this procurement is processed under simplified acquisition procedures and the total amount of this contract does not exceed \$25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply to construction or service contracts.

## FAR Subpart 8.405-5 – Small Business

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- ❑ **8.405-5(a)** – Preference programs of Part 19 are not mandatory
- ❑ **8.405-5(a)(1)** – Set-asides are discretionary for orders and BPAs for small business concerns identified in 19.000(a)(3)
- ❑ **8.405-5(a)(2)** – Follow the ordering procedures at [8.405-1](#), [8.405-2](#), and [8.405-3](#) as applicable
  - The specific small business program eligibility requirements identified in Part 19 apply

### 8.405-5 Small business.

- (a) Although the preference programs of part [19](#) are not mandatory in this subpart, in accordance with section 1331 of Public Law 111-240 ([15 U.S.C. 644\(r\)](#))—
- (1) Ordering activity contracting officers may, at their discretion—
    - (i) Set aside orders for any of the small business concerns identified in [19.000\(a\)\(3\)](#); and
    - (ii) Set aside BPAs for any of the small business concerns identified in [19.000\(a\)\(3\)](#).
  - (2) When setting aside orders and BPAs—
    - (i) Follow the ordering procedures for Federal Supply Schedules at [8.405-1](#), [8.405-2](#), and [8.405-3](#); and
    - (ii) The specific small business program eligibility requirements identified in part [19](#) apply.
- (b) Orders placed against schedule contracts may be credited toward the ordering activity's small business goals. For purposes of reporting an order placed with a small business schedule contractor, an ordering agency may only take credit if the awardee meets a size standard that corresponds to the work performed. Ordering activities should rely on the small business representations made by schedule contractors at the contract level
- (c) Ordering activities may consider socio-economic status when identifying contractors(s) for consideration or competition for award of an order or BPA. At a minimum, ordering activities should consider, if available, at least one small business, veteran-owned small business, service disabled veteran-owned business, HUBZone small business, women-owned small business, or small disadvantaged business schedule contractors(s). GSA Advantage! and Schedules eLibrary at <http://www.gsa.gov/fas> contain information on the small business representations of Schedule contractors.
- (d) For orders exceeding the micro-purchase threshold, ordering activities should give preference to the items of small business concerns when two or more items at the same delivered price will satisfy the requirement.

## FAR Subpart 8.405-5 – Small Business

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- ❑ 8.405-5(b) – Orders placed against schedule contracts may be credited toward the ordering activity's small business goals.
  - For purposes of reporting, an ordering agency may only take credit if the awardee meets a size standard that corresponds to the work performed
  - Ordering activities should rely on the small business size representations made at the Schedule contract level
- ❑ Agencies do not need to make a separate size determination at the order level, however...
  - GAO has upheld agencies' right to request a recertification at the order level (CMS Information Services Inc., B-290541, Aug. 7, 2002)

### 8.405-5 Small business.

(b) Orders placed against schedule contracts may be credited toward the ordering activity's small business goals. For purposes of reporting an order placed with a small business schedule contractor, an ordering agency may only take credit if the awardee meets a size standard that corresponds to the work performed. Ordering activities should rely on the small business representations made by schedule contractors at the contract level

(c) Ordering activities may consider socio-economic status when identifying contractors(s) for consideration or competition for award of an order or BPA. At a minimum, ordering activities should consider, if available, at least one small business, veteran-owned small business, service disabled veteran-owned business, HUBZone small business, women-owned small business, or small disadvantaged business schedule contractors(s). GSA Advantage! and Schedules eLibrary at <http://www.gsa.gov/fas> contain information on the small business representations of Schedule contractors.

(d) For orders exceeding the micro-purchase threshold, ordering activities should give preference to the items of small business concerns when two or more items at the same delivered price will satisfy the requirement.

Size determinations for contractors are also shown in each contractor's GSA Schedule Contract pricelist. In accordance with SBA Regulations and the FAR. The size determination made at contract award applies for the life of that contract unless one of three events occurs and the contractor is then required to update its size: 1. Novation, 2. Merger or Acquisition, and 3. Option exercise of the Schedule contract. Ordering activities should rely on the information found on eLibrary and GSA *Advantage!*.

## Certification Requirements for MAS Contracts

(slide)

- ☐ MAS contracts size standard certification is generally valid for 5 years
- ☐ Firms must recertify at the time of an option exercise
  - Exceptions:
    - Novation (within 30 days after effective)
    - Merger or Acquisition (within 30 days after effective)
- ☐ See FAR 19.301-2

FAR 19.301-2(b)(3) includes the following requirements for recertification prior to exercise of options plus for novations and mergers or acquisitions:

“A contractor that represented itself as a small business concern before contract award must rerepresent its size status for the North American Industry Classification System (NAICS) code in the contract upon the occurrence of any of the following:

(1) Within 30 days after execution of a novation agreement or within 30 days after modification of the contract to include the clause at [52.219-28](#), Post-Award Small Business Program Rerepresentation, if the novation agreement was executed prior to inclusion of this clause in the contract.

(2) Within 30 days after a merger or acquisition of the contractor that does not require novation or within 30 days after modification of the contract to include the clause at [52.219-28](#), Post-Award Small Business Program Rerepresentation, if the merger or acquisition occurred prior to inclusion of this clause in the contract.

(3) For long-term contracts—

- (i) Within 60 to 120 days prior to the end of the fifth year of the contract; and
- (ii) Within 60 to 120 days prior to the date specified in the contract for exercising any option thereafter.”



## What is Considered a Small Business?

*(slide)*

- ❑ SBA establishes small business size standards
- ❑ Industries are classified using the North American Industry Classification System (NAICS)
  - There are separate NAICS codes for various products and services
- ❑ For GSA Schedules – NAICS codes are applied at the Schedule contract level
  - May not use NAICS codes at the order level that have not been awarded on the Schedule contract (See 13 CFR 121.404(g)(3)(iv))

“Small business concern” means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR part 121 (see [19.102](#)). Such a concern is “not dominant in its field of operation” when it does not exercise a controlling or major influence on a national basis in a kind of business activity in which a number of business concerns are primarily engaged. In determining whether dominance exists, consideration must be given to all appropriate factors, including volume of business, number of employees, financial resources, competitive status or position, ownership or control of materials, processes, patents, license agreements, facilities, sales territory, and nature of business activity. (See [15 U.S.C. 632 and FAR Part 2.1, Definitions](#).)

The GAO is of the opinion that size may be re-validated/determined at the time of quote submission. There will be more on this later in the course.

The general size standards are often based on number of employees for products or based on company revenue for services (though every NAICS code has a different standard). Many other factors come into play as well, as data on North American firms is gathered and analyzed by Census and by SBA.

## Special Subcategories of Small Business

(slide)

- ❑ Veteran-owned small businesses (VOSB)
  - One or more veterans own at least 51% and they manage and control daily business operations
- ❑ Service-disabled, veteran-owned small businesses (SDVOSB)
  - Veteran-owned small business with disability incurred or aggravated in line of duty in the active military, naval, or air service
- ❑ Women-owned small businesses (WOSB)
  - One or more women own at least 51% and they manage and control daily business operations
- ❑ Economically disadvantaged women-owned small business (EDWOSB)
  - One or more women own at least 51% and they manage and control daily business operations,
  - and are economically disadvantaged in accordance with 13 CFR Part 127

“Veteran-owned small business concern” means a small business concern—

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at [38 U.S.C. 101\(2\)](#)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

SDVOSB firms are owned by one or more members of the military that incurred a disability while serving his or her country. Under the Veterans Benefit Act of 2003, the federal government seeks to provide contracting assistance to SDVOSBs.

Note that there is only a statutory goal for SDVOSBs and not just veteran-owned small business concerns. Set-asides under the MAS Program are now permissible, if market research indicates there are enough firms in the same socio-economic category. Additionally, if an award is made to one of these small business types either through a set-aside or not, your agency will get credit for the award in FPDS.

Women-owned small business concern” means a small business concern—

- (1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

In addition to the long standard category of small businesses owned by women, SBA recently added two new related classifications. These are Women Owned Small Businesses, WOSB, and Economically Disadvantaged WOSBs, or EDWOSB. A small business that is woman owned that meets the new requirements can apply for WOSB or EDWOSB status and may either can self-certify to their qualifications or be certified by a designated third party. These new categories also permit agencies to conduct set-asides, including ones done under MAS, for either category. This differs from the existing general small business woman-owned status that does not permit set-asides. Regardless of whether awarded through set-asides or through a non-restricted, open competition basis, agencies are given credit towards women-owned small goals if the award is made to a general owned woman business or one that qualifies under the two new categories.

## Special Subcategories of Small Business Cont'd

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- ❑ HubZone small businesses
  - HUBZone is a *historically underutilized business zone* within qualified census tracts, qualified nonmetropolitan counties, qualified base closure areas, or redesignated areas, or lands within the external boundaries of an Indian reservation.
  - The phrase “HUBZone small business” appears on SBA’s List of Qualified HUBZone Small Businesses
- ❑ Small, disadvantaged businesses or 8(a)s
  - One or more socially and economically disadvantaged individuals own at least a 51% interest and control management and daily business
  - African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged

HUBZone” means a **historically underutilized business zone** that is an area located within one or more qualified census tracts, qualified nonmetropolitan counties, BRAC former military bases, or lands within the external boundaries of an Indian reservation.

“HUBZone small business concern” means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration. HUBZone firms will also be visible at CCR.gov and on GSA Advantage.gov.

8(a) firms are called this because they were identified in Section 8(a) of the Small Business Act. The term 8(a) is often used in place of “Disadvantaged” but they are not synonymous. Only disadvantaged businesses meeting certain criteria can be accepted by SBA into the 8(a) program which is used to develop and grow the business over time.

Section 8(a) of the Act authorizes SBA to contract for goods and services with federal agencies. SBA then subcontracts actual performance of the work to socially and economically disadvantaged small businesses, which have been certified by SBA as eligible to receive these contracts. The major advantage of this program is that it allows the government to contract, on a noncompetitive basis, with socially and economically disadvantaged small businesses. SBA also offers managerial, technical, and financial support to participating firms not to exceed \$6.5 million if the acquisition has an assigned NAICS code, and \$4 million for all other acquisitions.

Remember that orders and BPAs can be set aside for 8(a) firms. All orders to an 8(a) Schedule-holder will count as credit towards the agency’s 5 percent small disadvantaged business goals.

## Nonmanufacturer (NMR) Rule

(slide)

### What is the Nonmanufacturer Rule?

- On a supply contract, a firm must perform at least 50% of the cost of manufacturing the supplies (not including the cost of materials).
- The NMR provides that...
  - a firm that is not a manufacturer may qualify as a small business on a supply contract that has been set aside for small business if it supplies the product of a domestic small business manufacturer.

For additional information:

<http://www.sba.gov/content/non-manufacturer-waivers>

The Small Business Act and SBA's regulations impose performance requirements (limitations on subcontracting) on firms that are awarded set-aside contracts.

Regulations:

- ❖ On a supply contract, a firm must perform at least 50% of the cost of manufacturing the supplies (not including the cost of materials).
- ❖ The NMR is an **exception** to the performance requirements, and provides that a firm that is **not** a manufacturer may qualify as a small business on a supply contract set aside for small business if, among other things, it supplies the product of a small business made in the United States.

## Nonmanufacturer (NMR) Rule (cont)

(slide)

### Nonmanufacturer Rule Reminders

- ❑ As the contracting officer applying the Nonmanufacturer Rule to your acquisition strategy, there are some things to remember:
  - The NMR does not apply to service contracts.
  - The NAICS code and size standard will flow down from the Schedule contract
- ❑ SBA may grant waivers to the NMR in industries where there are no small business manufacturers
  - Nonmanufacturer waivers are not granted for HUBZone procurements.
  - Nonmanufacturer waivers cannot be granted after quotes on a solicitation have been received.

SBA may grant waivers for NMR. In order to qualify as a small business on a small business set-aside for the acquisition of supplies, an offeror must either manufacture the item in accordance with the Limitations on Subcontracting or supply the product of a small business made in the United States. The Small Business Act also contains provisions that allow the Administrator of the SBA to waive this requirement when there are no small business manufacturers or processors available to supply the product to the Federal Government. SBA can provide waivers on:

- ❖ **Individual waiver.** After reviewing a determination by a contracting officer that no small business manufacturer or processor can reasonably be expected to offer a product meeting the specifications (including period of performance) required of an offeror or by the solicitation; or
- ❖ **Class waiver.** For a product or class of products after determining that no small business is available to participate in the Federal procurement market.

## Nonmanufacturer (NMR) Rule (cont)

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Language applying the NMR to set-aside Schedule orders can be found in the following clauses:

Clause	Title
52.219-3	<i>Notice of HUBZone Set-Aside or Sole Source Award (Nov-2011)</i>
52.219-6	<i>Notice of Total Small Business Set-Aside (Nov-2011)</i>
52.219-27	<i>Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (Nov-2011)</i>
52.219-29	<i>Notice of Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Nov-2011)</i>
52.219-30	<i>Notice of Set-Aside for Women-owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (Nov-2011)</i>

## Required Clauses

*(slide)*

*These clauses are being added to the Schedule contracts. However, this should be verified through Contracts Online. If the Schedule contract has not been modified to add the clauses, the ordering activity contracting officer should incorporate the applicable clause(s) into the RFQ.*

Clause	Title
52.219-3	<i>Notice of HUBZone Set-Aside or Sole Source Award (Nov-2011)</i>
52.219-6	<i>Notice of Total Small Business Set-Aside (Nov-2011)</i>
52.219-13	<i>Notice of Set-Aside of Orders (Nov-2011)</i>
52.219-14	<i>Limitations on Subcontracting (Nov-2011)</i>
52.219-27	<i>Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (Nov-2011)</i>
52.219-29	<i>Notice of Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Nov-2011)</i>
52.219-30	<i>Notice of Set-Aside for Women-owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (Nov-2011)</i>

*Incorporate clauses into Requests for Quotes (RFQs) (until Schedules are modified). GSA is in the process of modifying its existing vehicles to include all appropriate set-asides clauses. Contracting Officers can visit Contracts Online (accessed through [gsaelibrary.gsa.gov](http://gsaelibrary.gsa.gov)) to view a listing of the Schedule contracts with their current clauses to see which Schedule contracts have been modified. Before all MAS contracts have been modified to incorporate set-aside clauses, Contracting Officers shall incorporate the following FAR clauses, if applicable, in all RFQs:*

52.219-13 Notice of Set-Aside of Orders (NOV 2011)

52.219-3 Notice of HUBZone Set-Aside or Sole Source Award (NOV 2011)

52.219-6 Notice of Total Small Business Set-Aside (NOV 2011)

52.219-14 Limitations on Subcontracting (NOV 2011)

52.219-27 Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (NOV 2011)



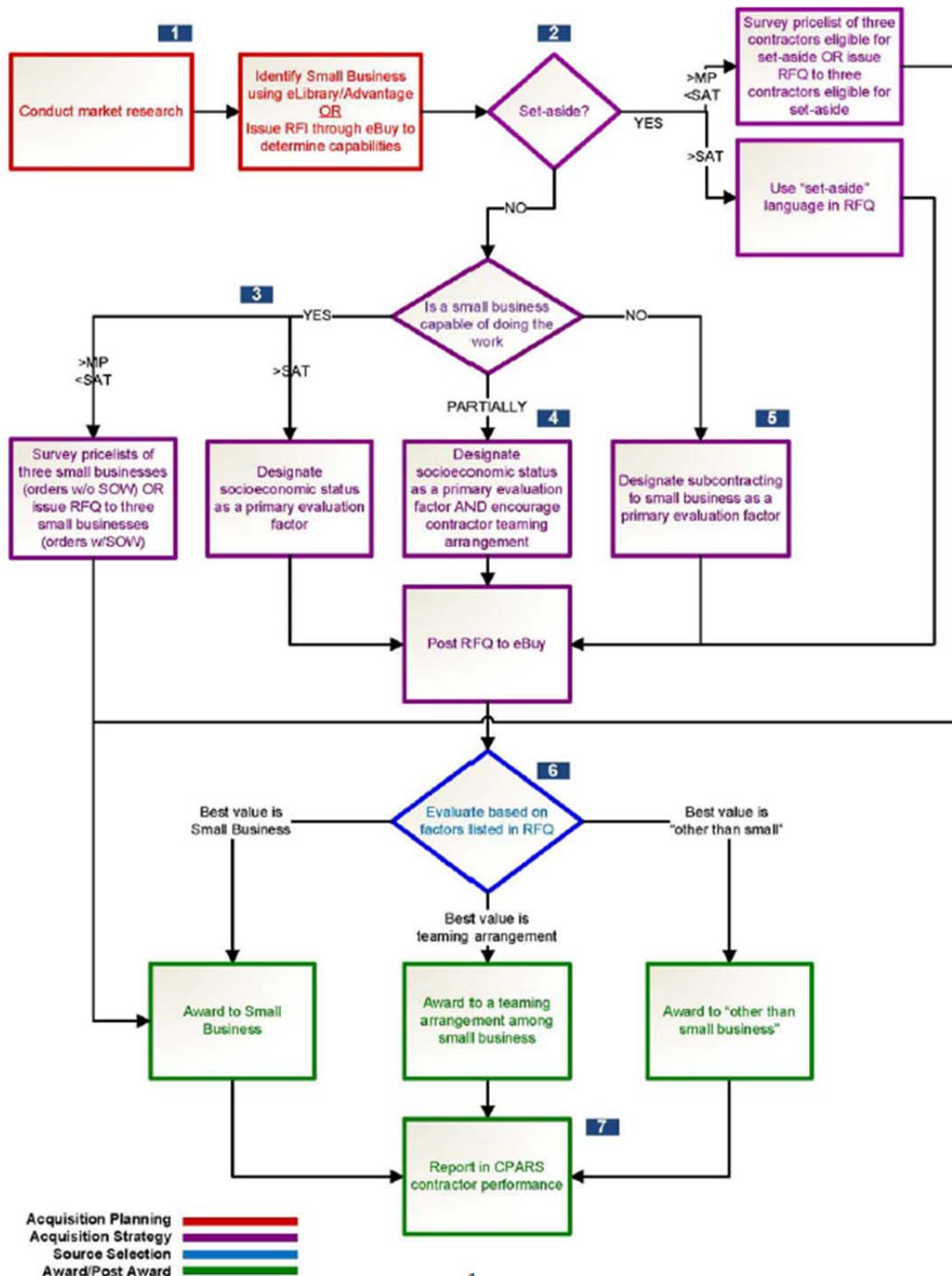
52.219-29 Notice of Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (NOV 2011)

52.219-30 Notice of Set-Aside for Women-Owned Small Business Concerns Eligible Under the Women-Owned Small Business Program

## Process for Effective Accomplishment

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### The Acquisition Process and Small Businesses when using GSA Schedules



## EXPLANATION OF PROCESS STEPS

### 1. Conduct market research.

Ordering activities should utilize GSA Advantage!® and GSA eLibrary to identify small businesses capable of meeting the requirement. Through Advantage!®, ordering activities can find all contractors who provide the supply/product required and view the socioeconomic status of each contractor. Through eLibrary, ordering activities can find all contractors under the Special Item Number (SIN) associated with the required supply or service; ordering activities can then go one step further and filter the list of contractors by any specific socioeconomic category desired.

If a search on *Advantage!®* and eLibrary does not result in any possible small business sources, ordering activities may also consider issuing a Request for Information (RFI) on eBuy to determine the capabilities of small businesses in the relevant SINs and to identify small businesses capable of doing the work. An RFI is also a good idea when trying to determine whether your order is eligible for a set-aside (either for small business in general or for one of the small business sub-types listed in FAR 19.000(a)(3)); in order to do a set-aside, there has to be at least two (2) small business (or whatever sub-type the set-aside will be for) Schedule contractors that are capable of doing the work, taking into account the limitations on subcontracting.

After conducting market research, ordering activities should be able to answer the question, “Is a small business capable of doing the work?”

### 2. Set-aside determination

It is the ordering activity’s discretion whether to set-aside an order. This discretion can be exercised once two conditions are met: 1) there must be at least two (2) small business (or whatever sub-type the set-aside will be for) Schedule contractors that are capable of doing the work, taking into account the limitations on subcontracting; and, 2) your requirement must meet the small business program eligibility requirements for set-asides. Currently, only the 8(a) and Women-Owned Small Business (WOSB) set-aside programs have eligibility requirements.

In the event that the ordering activity exercises its discretion and the order is eligible for a set-aside, the ordering procedures in FAR 8.405-1 and FAR 8.405-2 need to be followed. This means that for orders above the micropurchase threshold but below the Simplified Acquisition Threshold (SAT), the ordering activity can either review the pricelist of 3 Schedule contractors that are eligible for the set-aside (e.g. small businesses for small business set-aside, HubZones for Hubzone set-asides) if the order is for supplies or services not requiring a SOW or send an Request for Quote (RFQ) to at least 3 Schedule contractors that are eligible for the set-aside for orders that require a SOW. For orders above the SAT, the RFQ needs to be posted on eBuy or sent to enough eligible Schedule contractors so that at least 3 quotes are received. For set-aside orders, ordering activities should consider using the following language in the RFQ:

This is a notice that this order is a total set aside for [insert either “small business concerns” or specify a type of small business concern]. Only quotes submitted by [insert either “small business concerns” or specify a type of small business concern] will be accepted by the Government. Any quote that is submitted by a contractor that is not [insert either “a small business concern” or specify a type of small business concern] will be immediately rejected.

### **3. A small business is capable of doing the work in its entirety (no setting-aside of order).**

If the ordering activity has determined that a small business can meet the whole requirement alone, as long as there is no limitation on subcontracting, it has two options depending on the estimated order value:

For orders above the micropurchase threshold but below the SAT, the ordering activity can either review the pricelist of 3 small business Schedule contractors if the order is for supplies or services not requiring a SOW or send an RFQ to at least 3 small business Schedule contractors for orders that require a SOW. The ordering activity can then place an order with the Schedule contractor that represents the best value.

For orders above the SAT, the RFQ needs to be posted on eBuy or sent to enough Schedule contractors so that at least 3 quotes are received. Since posting to eBuy will make the RFQ available for viewing by all Schedule contractors awarded the relevant SINs, the ordering activities should designate socioeconomic status as a primary evaluation factor in the RFQ. For additional guidance on how to use socioeconomic status as an evaluation factor, see the sample RFQ language posted on [gsa.gov/schedulesandsbgoals](https://gsa.gov/schedulesandsbgoals).

### **4. A small business is capable of only doing part of the work on its own.**

If market research reveals that there is no small business that can meet the requirement as a whole but there are small businesses that can each cover portions of the entire requirement, ordering activities can designate socioeconomic status as a primary evaluation factor and also encourage contractor teaming arrangements (CTAs) in the RFQ. The RFQ can then be posted on eBuy which will result in all Schedule contractors awarded the relevant SIN(s) to be able to view the document. While posting on eBuy will result in the RFQ being viewable by large businesses awarded the relevant SIN(s), designation of socioeconomic status as an evaluation factor and the CTA language in the RFQ will prompt them to find a small business (or businesses) to partner with in responding to the requirement. Posting on eBuy will also ensure that a sufficient number of small businesses (i.e. all those awarded the relevant SIN(s)) have access to the RFQ so that there is a greater probability of receiving responses from CTAs made up solely between small businesses. For sample RFQ language on evaluating CTAs for the socioeconomic status factor, visit [gsa.gov/schedulesandsbgoals](https://gsa.gov/schedulesandsbgoals).

## **5. A small business is not capable of doing any part of the work.**

If market research reveals that the requirement can only be met by an other than small business, ordering activities can still utilize small business by designating subcontracting to small businesses as a primary evaluation factor. Ordering activities can then post the RFQ to eBuy.

## **6. Evaluate the quotes.**

In any situation, quotes must always be evaluated in accordance with the evaluation factors listed in the RFQ.

## **7. Report in CPARS contracting performance.**

Recent rulings require ordering activities to report past performance and other responsibility-related determinations into the Contractor Performance Assessment Reporting System (CPARS).

Regardless of whether the BPA/task order was placed with a small business, a CTA, or an other than small business, ordering activities need to report past performance for the contractor in CPARS. Positive past performance will assist the small businesses with being awarded BPAs/orders in the future.

## RFQ Language

(slide)

The Contracting Officer should include the following language in the RFQ:

*This is a notice that this [insert either “order” or “Blanket Purchase Agreement”] is a total set aside for [insert either “small business concerns” or specify a type of small business concern]. Only quotes submitted by [insert either “small business concerns” or specify a type of small business concern] will be accepted by the Government. Any quote that is submitted by a contractor that is not [insert either “a small business concern” or specify a type of small business concern] will not be considered for award.*

Note: If using eBuy and selecting “set aside” this language will be included in the RFQ automatically.

Include this notice in RFQs when a set-aside is used. It is included automatically when using eBuy. Its important that the notice be in a prominent location at the beginning of the document to alert small businesses of the opportunity but also to notify other than small firms so they do not not waste their resources pursuing something for which they do not qualify.

## Set-Aside Special Item Numbers (SINs)

(slide)

The screenshot shows the GSA eLibrary search results page. At the top, the GSA eLibrary logo and 'GSA Federal Acquisition Service' are visible. A search bar at the top right contains the text 'Search:'. Below the search bar, the search criteria are listed, with 'set aside' circled in red and a red arrow pointing to it. The search results are displayed under the heading 'Description matches'. The results are organized into a table with two columns: 'Source' and 'Description'. The first result is for Source '23 V' and is titled 'AUTOMOTIVE SUPERSTORE - GSA purchases many types of new vehicles and vehicle related products for government agencies and DoD. Us Alternative fuel vehicles; Ambulances; Buses; Light trucks; Light trucks - vocational; Medium and heavy trucks; Sedans; Wheelchair vans; V When using this schedule, you can access vendors directly to place an order for vehicles or accessories or you can contact GSA to place th information on these options is available through our CARS line at 703-605-CARS (2277). The following vehicles and accessories are available Devices and Digger/Derricks; Construction Equipment, Road and Snow Maintenance; Fire Trucks; Low Speed Vehicles (Gas or Electric); Mobil Remanufactured Engines; Snow Maintenance Equipment; Tankers; Tires; Trailers; Trash Collectors and Recycling Vehicles; Truck Bodies; and Equipment. Below this, a table lists categories and descriptions: Category '271 102' is described as 'Snow Maintenance Equipment (Vehicle Mounting) - limited to: Snowplows, salt/sand spreaders, and snow blowers (Total Set-Aside)'. The second result is for Source '36' and is titled 'THE OFFICE, IMAGING AND DOCUMENT SOLUTION'. Below this, a table lists categories and descriptions: Category '20 220' is described as 'Projection Screen, Stand, Printer (Enlarger), Systems - Includes projection screens for all types of projection applicati portable, manual wall ceiling, or electronic wall or ceiling, or wall mount, tripod, theatre video screen, optical). Project without electrical outlets, folding or non-folding, may be self-leveling. Projection printers (enlargers) allow vertical and are designed for, and used specifically with, all types of projectors listed herein. The projection system is a high-defin projection system that delivers film-quality image and digital surround sound. This SIN also includes directly related ac supplies(SET ASIDE FOR SMALL BUSINESS; MAS EXPRESS)'. Category '47 147' is described as 'Security Applications for Business Machines - Includes security applications for office equipment (e.g., computers/mor machines, TV and VCR, calculators, copiers, medical equipment, cash registers, printers, typewriters laboratory System audio/visual. This equipment is to be secured within any environment to deter unlawful removal of equipment. A combi

Source	Description						
23 V	<b>AUTOMOTIVE SUPERSTORE</b> - GSA purchases many types of new vehicles and vehicle related products for government agencies and DoD. Us Alternative fuel vehicles; Ambulances; Buses; Light trucks; Light trucks - vocational; Medium and heavy trucks; Sedans; Wheelchair vans; V When using this schedule, you can access vendors directly to place an order for vehicles or accessories or you can contact GSA to place th information on these options is available through our CARS line at 703-605-CARS (2277). The following vehicles and accessories are available Devices and Digger/Derricks; Construction Equipment, Road and Snow Maintenance; Fire Trucks; Low Speed Vehicles (Gas or Electric); Mobil Remanufactured Engines; Snow Maintenance Equipment; Tankers; Tires; Trailers; Trash Collectors and Recycling Vehicles; Truck Bodies; and Equipment. <table border="1"><thead><tr><th>Category</th><th>Description</th></tr></thead><tbody><tr><td>271 102</td><td>Snow Maintenance Equipment (Vehicle Mounting) - limited to: Snowplows, salt/sand spreaders, and snow blowers (Total Set-Aside)</td></tr></tbody></table>	Category	Description	271 102	Snow Maintenance Equipment (Vehicle Mounting) - limited to: Snowplows, salt/sand spreaders, and snow blowers (Total Set-Aside)		
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One Schedule and certain categories (SINs) within other Schedules have been set-aside for small businesses. For example, Schedule 736, Temporary and Administrative Staffing, has been set-aside in its entirety and only small business firms receive contracts under this Schedule.

For more information, see <http://interact.gsa.gov/blog/utilizing-set-aside-special-item-numbers-sins-small-business>

## Topic 5: Identifying Small Businesses

### **Market Research**

*(slide)*

- ☐ Market research is the key to achieving small business objectives
- ☐ Use market research to ensure at least three small businesses can meet need in order to meet ordering procedure requirements
- ☐ FAR Part 7 and Subpart 8.4 require acquisition planning and market research prior to placing orders against Schedules
- ☐ The two most commonly used approaches to market research are:
  - Identify small businesses through eLibrary
  - Issue an RFI through eBuy to determine market capabilities
- ☐ The outcome of market research determines the acquisition strategy, both in terms of how to acquire goods and services and in how they are described to enable maximum competition

FAR Part 10 describes market research requirements. All acquisitions over the simplified acquisition threshold (SAT) require market research. Some level of market research should be performed on all acquisitions over the micro-purchase threshold. Agency policies and procedures will prescribe the documentation requirements for acquisitions under the SAT.

The GSA Advantage web pages make market research easy. Use the eLibrary tab and a key word or NAICS code to find out whether or not small businesses are on Schedule that are capable of performing the required tasks. If there are enough in the same socioeconomic category, consider setting aside the acquisition.



## GSAdvantage! (slide)

GSA *Advantage!* can help find supplies (products) through the price comparison option. By using the column entitled “Socio” the ordering activity can view the socioeconomic status of each contract.

The screenshot shows the GSA Advantage! website interface. At the top, there are navigation links: Tutorial, Customer Assistance, What's New, Register, LOGIN, and a Shopping Cart icon showing 0 items for \$0.00. Below these are tabs for GSA e-Buy, GSA e-Library, Order History/Status, Profile, Parked Carts, and Reports. A search bar is present with the text "New search:" and a dropdown menu set to "All Categories". A "Find it!" button and an "Advanced Search" link are also visible.

The main content area is titled "Product Detail" and shows the following information:

- PENCIL**
- \$2.55 EA**
- Description:** FORTE PRO II AUTOMATIC PENCIL, 0
- Mfr Part#:** PEN75A
- Mfr:** PEN
- Made In:** UNITED STATES OF AMERICA
- Warranty:** 30 DA
- Contractor:** BENTCO OFFICE SOLUTIONS  
1501 STUART STREET, CHATTANOOGA, TN 37406  
http://bentcooffice.com  
Phone: view dealers DUNS: 962900288  
Email: bentcooffice@bentcooffice.com  
GS-14F-0031L (ends: Mar 21, 2011)  
Small Business; Disadvantaged business;
- DISAST RECOV** Disaster Recovery Purchasing items  
**ARRA** American Recovery and Reinvestment Act of :

Below the product details is a table with the following columns: Price/Unit, Contractor, Socio, Photo, and Delivery. The table lists four contractors, and the "Socio" column is circled in red.

	Price/Unit	Contractor	Socio	Photo	Delivery
<input type="radio"/>	<b>SALE</b> \$1.11 EA	OFFICE DEPOT	o		1 day delivery
<input type="radio"/>	<b>SALE</b> \$1.35 EA	PREMIER & COMPANIES	s		3 days shipping
<input type="radio"/>	<b>SALE</b> \$1.35 EA	WECsys LLC	s d		2 days delivery
<input type="radio"/>	<b>SALE</b> \$1.36 EA	UNITED OFFICE SOLUTION, INC	s d		4 days delivery

Ordering activities can utilize GSA *Advantage!* to find supplies through the price comparison option. By selecting the product number, ordering activities can view all contractors who provide that product. Then by using the column entitled “Socio” the ordering activity can view the socioeconomic status of each contractor.

[www.gsaadvantage.gov](http://www.gsaadvantage.gov)

## eLibrary

(slide)

GSA eLibrary can assist with locating Schedule contractors and their socioeconomic status by using the Socioeconomic column.

The screenshot shows the GSA eLibrary interface. At the top, there's a navigation bar with links for Home, eBuy - quotes, GSA Advantage - online shopping, and Help. A search bar is also present. Below the navigation bar, there's a section for 'Schedule Details' with contact information for the IT Acquisition Center. The main content area displays a list of contractors for a specific contract, with columns for Contractor, Contract #, Phone, (Sort by) City, State, Socio-Economic, Contract Terms & Conditions, and View Catalog. A red circle highlights the 'Socio-Economic' column, which includes categories like 'Small Business', 'Woman Owned Business', and 'Minority Owned Business'. The list of contractors includes ACADAMY PARTNERS, INC., AT&T CORP., BUSHTECH, INC., CARAHOSFT TECHNOLOGY CORPORATION, CAS SEVERN, INC., CITYROOTS INC, and COMM-WORKS/FORTLAN, LLC.

Contractor	Contract #	Phone	(Sort by) City, State	Socio-Economic	Contract Terms & Conditions	View Catalog
ACADAMY PARTNERS, INC.	GS-35F-0136V	(619)475-1527	BOYD, CA	s/dv		<a href="#">Advantage!</a>
AT&T CORP.	GS-35F-0249J	(703)506-5103	OMAHA, VA	o		<a href="#">Advantage!</a>
BUSHTECH, INC.	GS-35F-0546R	(480)471-6688	GILBERT, AZ	s/w		<a href="#">Advantage!</a>
CARAHOSFT TECHNOLOGY CORPORATION	GS-35F-0131R	(703)871-8500	RENO, VA	s		<a href="#">Advantage!</a>
CAS SEVERN, INC.	GS-35F-0380V	(301)776-3400	LANHAM, MD	s		<a href="#">Advantage!</a>
CITYROOTS INC	GS-35F-0180S	(661)588-0639	BAKERSFIELD, CA	s/d/w/Ba		<a href="#">Advantage!</a>
COMM-WORKS/FORTLAN, LLC	GS-35F-0124L	(800)394-4444	CHANTILL, VA	o		<a href="#">Advantage!</a>

Ordering activities can utilize GSA eLibrary to assist with finding Schedule contractors and their socioeconomic status. By going to eLibrary ([gsaelibrary.gsa.gov](http://gsaelibrary.gsa.gov)), the ordering activity can look up a specific contractor or a list of contractors by the Special Item Number (SIN) associated with the supply or service they are ordering. By clicking on the specific SIN, the ordering activity can view all contractors available. The ordering activity can then utilize the Socioeconomic column to find contractors within the appropriate small business program or; they can filter the display by the socioeconomic category that is relevant to this purchase.

[www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)

# eBuy

(slide)

GSA eBuy

[Home](#) [Prepare an RFQ](#) [My RFQs](#) [Profile](#) [e-Buy Guidance](#) [e-Buy Training](#)

GSA Advantage!

### Step 1. Assign Category & Select Vendors

**Instructions:** Listed below are vendors who currently have contracts under the Category you selected. Place a "check" next to the vendors whom you would like to quote on your RFQ. The vendors you select will receive an e-mail notice inviting them to quote on your requirements. You may request a quote from any or all vendors listed. In order to satisfy FAR requirements, you should request quotes from at least three (3) vendors (if available). Remember, vendors are not required to submit a quote.  
**Reminder:** Other vendors listed under this category may view and quote on the RFQ even if they have not been selected to receive an email invitation. In the event of a set-aside, ALL eligible vendors must be notified.

36 THE OFFICE, IMAGING AND DOCUMENT SOLUTION

Category	Description
51 56	Repair of Government-Owned Equipment (all equipment covered under this schedule) for equipment not under Maintenance Service Agreement

10 contractors are available. [Submit](#)

☐ Select all vendors

**Is this a small business set-aside?**  
If small business set-aside, select small business program  
\* If this is a small business set-aside, you must select the small business program from the drop-down

Display: 

All Socio-Economic Indicators  
Small Business  
SBA Certified (a) Firm

[Go](#)

Note: Hold the 'Ctrl' key to select all that apply. This allows sorting for selection/invitation purposes only. It does not prevent unselected vendors from submitting quotes.

Vendor	City, State	Socio-economic	Text File	Web page
<input type="checkbox"/> ABC LASERJET INC.	NORCROSS, GA	Small Business SBA Certified Small Disadvantaged Business Women Owned business	<a href="#">Text File</a>	<a href="#">Web page</a>
<input type="checkbox"/> BIDWELL INDUSTRIAL GROUP, INC.	MIDDLETOWN, CT	Small Business	<a href="#">Text File</a>	<a href="#">Web page</a>
<input type="checkbox"/> CANNON IV, INC.	INDIANAPOLIS, IN	Small Business	<a href="#">Text File</a>	<a href="#">Web page</a>
<input type="checkbox"/> CARTRIDGE TECHNOLOGIES, INC.	ROCKVILLE, MD	Small Business SBA Certified Small Disadvantaged Business	<a href="#">Text File</a>	<a href="#">Web page</a>

GSA eBuy

[Home](#) [Prepare an RFQ](#) [My RFQs](#) [Profile](#) [e-Buy Guidance](#) [e-Buy Training](#)

GSA Advantage!

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**Reminder:** Other vendors listed under this category may view and quote on the RFQ even if they have not been selected to receive an email invitation. In the event of a set-aside, ALL eligible vendors must be notified.

36 THE OFFICE, IMAGING AND DOCUMENT SOLUTION

Category	Description
51 56	Repair of Government-Owned Equipment (all equipment covered under this schedule) for equipment not under Maintenance Service Agreement

10 contractors are available. [Submit](#)

☐ Select all vendors

**Is this a small business set-aside?**  
If small business set-aside, select small business program  
If small business set-aside, select small business program  
Small Business  
Service Disabled Veteran Owned Small Business  
Women Owned (WOSB)

Display: 

All Socio-Economic Indicators  
Small Business  
SBA Certified (a) Firm

[Go](#)

Note: Hold the 'Ctrl' key to select all that apply. This allows sorting for selection/invitation purposes only. It does not prevent unselected vendors from submitting quotes.

Vendor	City, State	Socio-economic	Text File	Web page
<input type="checkbox"/> ABC LASERJET INC.	NORCROSS, GA	Small Business SBA Certified Small Disadvantaged Business Women Owned business	<a href="#">Text File</a>	<a href="#">Web page</a>
<input type="checkbox"/> BIDWELL INDUSTRIAL GROUP, INC.	MIDDLETOWN, CT	Small Business	<a href="#">Text File</a>	<a href="#">Web page</a>
<input type="checkbox"/> CANNON IV, INC.	INDIANAPOLIS, IN	Small Business	<a href="#">Text File</a>	<a href="#">Web page</a>
<input type="checkbox"/> CARTRIDGE TECHNOLOGIES, INC.	ROCKVILLE, MD	Small Business SBA Certified Small Disadvantaged Business Women Owned business	<a href="#">Text File</a>	<a href="#">Web page</a>

**GSA eBuy** GSA Advantage | e-Library

Home Prepare an RFQ My RFQs Profile e-Buy Guidance e-Buy Training Log Off

### Step 1. Assign Category & Select Vendors

**Instructions:** Listed below are vendors who currently have contracts under the Category you selected. Place a "check" next to the vendors whom you would like to quote on your RFQ. The vendors you select will receive an e-mail notice inviting them to quote on your requirements. You may request a quote from any or all vendors listed. In order to satisfy FAR requirements, you should request quotes from at least three (3) vendors (if available). Remember, vendors are not required to submit a quote.  
**Reminder:** Other vendors listed under this category may view and quote on the RFQ even if they have not been selected to receive an email invitation. In the event of a set-aside, ALL eligible vendors must be notified.

36 THE OFFICE, IMAGING AND DOCUMENT SOLUTION

Category	Description
51 56	Repair of Government-Owned Equipment (all equipment covered under this schedule) for equipment under Maintenance Service Agreement

9 contractors are available. Submit

You have indicated this is a Small Business set-aside. The following vendors will be notified.  
 Click here to change/remove the set-aside business indicator that you have selected.

Vendor	City, State	Socio-economic	Text File	Web page
<input checked="" type="checkbox"/> ABC LASERJET INC.	NORCROSS, GA	Small Business SBA Certified Small Disadvantaged Business Women Owned business		
<input checked="" type="checkbox"/> BIDWELL INDUSTRIAL GROUP, INC.	MIDDLETOWN, CT	Small Business		
<input checked="" type="checkbox"/> CANNON IV, INC.	INDIANAPOLIS, IN	Small Business		
<input checked="" type="checkbox"/> CARTRIDGE TECHNOLOGIES, INC.	ROCKVILLE, MD	Small Business SBA Certified Small Disadvantaged Business Women Owned business Women Owned (WOSB)		
<input checked="" type="checkbox"/> GUNTHER INTERNATIONAL LTD	NORWICH, CT	Small Business		
<input checked="" type="checkbox"/> JTF BUSINESS SYSTEMS INC	ALEXANDRIA, VA	Small Business		

Ordering Activities can choose specific vendors to notify when posting an RFQ. Part of the RFQ posting process on eBuy involves selecting the relevant Schedule(s) and SIN(s). All orders over the SAT require the development of an RFQ, which must be posted on eBuy or sent to as many Schedule contractors as possible to ensure that 3 quotes are received.

After choosing the appropriate scope, Ordering Activities can select specific vendors who will receive email notices inviting them to quote on their requirement. Note that all vendors awarded the selected Schedule(s) and SIN(s) will be able to view the RFQ and submit a quote.

*From GSA website:* eBuy is an online Request for Quotation (RFQ) tool designed to facilitate the request for submission of quotations for a wide range of commercial supplies and services offered by GSA Schedule contractors who are on [GSA Advantage®](#).

eBuy allows federal, state, and local government agencies (buyers) to maximize their buying power by leveraging the power of the Internet to increase Schedule contractor participation in order to obtain quotations that will result in a best value purchase decision. eBuy provides Schedule contractors (sellers) with greater opportunities to offer quotations and increase business volume for supplies and services provided under their Schedule contracts.

eBuy streamlines the buying process with point-and-click functionality by allowing RFQs and responses to be exchanged electronically between agencies and GSA Schedule contractors. In short, eBuy provides both agencies and contractors with a tool that will result in savings of both time and money.

## Re-cap

(slide)

Set-Aside	Non-Set-Aside
Ordering activity may conduct discretionary set-asides	Ordering activity should give preference to small business if at least two
FAR Part 19 does not apply – See 8.405-5 (ordering procedures come from 8.405-1, 8.405-2, or 8.405-3)	May use socioeconomic status as an evaluation factor
Limitations on subcontracting apply	No limitations on subcontracting
NMR applies	NMR does not apply
Ordering activity receives socioeconomic credit	Ordering activity receives socioeconomic credit
No “rule of two” – Must ensure competition requirements in 8.405-1, 8.405-2, or 8.405-3 are met	



### Knowledge Check 1

Can you set-aside orders and BPAs under Schedule contracts?

Answer:



### Knowledge Check 2

May an agency set aside Schedule orders and/or BPAs for any of the socioeconomic programs (e.g., 8(a), service-disabled veteran-owned, women-owned, and HUBZone small business concerns)?

Answer:



### Knowledge Check 3

Are there any circumstances in which COs are *required* to use set-asides?

Answer:



### Knowledge Check 4

If an agency can only find two small businesses, can it still do a set-aside?

Answer:



### **Knowledge Check 5**

What steps must an agency take to set aside an order under the Schedules Program?

Answer:



### **Knowledge Check 6**

What is meant by the “program eligibility requirements”?

Answer:



### **Knowledge Check 7**

Can socio-economic status still be used as an evaluation factor as opposed to set-asides?

Answer:

## Web Resources

- ❖ FAQ concerning Set-Asides on Schedules
  - [www.gsa.gov/portal/content/113371](http://www.gsa.gov/portal/content/113371)
  - [www.gsa.gov/schedulesandsbgoals](http://www.gsa.gov/schedulesandsbgoals)
- ❖ MAS Training Student Guides [www.gsa.gov/mastrainingstudentguides](http://www.gsa.gov/mastrainingstudentguides)
- ❖ MAS Desk Reference [www.gsa.gov/masdeskreference](http://www.gsa.gov/masdeskreference)
- ❖ Multiple Award Schedules [www.gsa.gov/schedules](http://www.gsa.gov/schedules)
- ❖ eLibrary [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)
- ❖ GSA *Advantage!* [www.gsaadvantage.gov](http://www.gsaadvantage.gov)
- ❖ eBuy [www.ebuy.gsa.gov](http://www.ebuy.gsa.gov)
- ❖ MAS News [www.gsa.gov/masnews](http://www.gsa.gov/masnews)
- ❖ Federal Acquisition Regulation (FAR) [www.acquisition.gov/far](http://www.acquisition.gov/far)
- ❖ NAICS Codes are at <http://www.census.gov/eos/www/naics/>
- ❖ SBA's Table of Size Standards at [http://www.sba.gov/idc/groups/public/documents/sba\\_homepage/serv\\_sstd\\_tablepdf.pdf](http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_sstd_tablepdf.pdf)
- ❖ Monthly Webinars sponsored by the MAS Program Office <http://www.gsa.gov/masnews>
- ❖ Training Videos - <http://www.gsa.gov/portal/content/210517>
- ❖ Defense Acquisition University <http://icatalog.dau.mil/> Search for continuous learning modules with FAC prefix